

State of Alaska FY2003 Governor's Operating Budget

Department of Community & Economic Development Safe Communities Program BRU/Component Budget Summary

BRU/Component: Safe Communities Program

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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Component Mission

To provide financial assistance to incorporated municipalities so that they may provide necessary public services for their citizens.

Component Services Provided

1. Direct financial assistance through the Safe Communities Program (formerly known as the Municipal Assistance Program).
2. Direct vendor payments on behalf of local governments to entities such as the Alaska Municipal League/Joint Insurance Association Inc. for insurance premiums and Yukon Fuel for bulk fuel purchases.

Component Goals and Strategies

1. To improve the fiscal capacities of Alaska's local governments.
2. To distribute both state and federal financial assistance in an accurate, fair, and timely manner.

Key Component Issues for FY2002 – 2003

Cuts in State Shared Revenues - Despite the drastic cuts made to these programs, the State Revenue Sharing and Safe Communities Programs continue to be important sources of funding for Alaska's local governments, particularly the small rural cities. For many of the rural cities, these funds still represent a significant portion of their operating budgets. In FY 86, these programs totaled \$140,939,000. In FY 02 these programs totaled \$29,330,587, an increase of \$837,187 over FY01. The impacts of the cuts since FY86 include:

Municipal Dissolution
Significant Reduction in Public Services and Public Health
Deteriorating Infrastructure
Increased Social Problems
Insurance Unavailability and Rate Increases
Increased IRS and ESC problems and levies
Decline in Urban/Rural Business Activity
Increased Local Taxes

Major Component Accomplishments in 2001

Distributed Community Financial Assistance payments in an accurate, fair and timely manner.

Statutory and Regulatory Authority

AS 29.60.350-.375 Safe Communities

Safe Communities Program

Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.0	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	16,775.5	16,775.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	16,775.5	16,775.5
Funding Sources:			
1004 General Fund Receipts	0.0	16,775.5	16,775.5
Funding Totals	0.0	16,775.5	16,775.5

Safe Communities Program
Proposed Changes in Levels of Service for FY2003

None.

Summary of Component Budget Changes
From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	16,775.5	0.0	0.0	16,775.5
FY2003 Governor	16,775.5	0.0	0.0	16,775.5